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Energy Efficiency Plan Update

September 14, 2023

2024-2026 EE Plan Priorities



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Five Key Priorities



Deliver optimized, tailored programs that serve all customers and **increase program reach**



Understand customer needs, planning cycles, and goals to optimize incorporation of the **next generation of efficiency measures**



Enhance financing options, simplify offerings, and raise customer awareness of complementary funding sources that can be leveraged to **enable customers to invest in efficiency**



Serve customers equitably by designing programs with a conscious effort to serve small business and low- and moderate-income; gender, racially and ethnically diverse; and non-native English-speaking customers



Increase workforce capacity to serve customers and implement energy efficiency

Key Themes from Stakeholder Feedback



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- Gas Incentives
- Equity
- Federal Funding
- DPAs
- Pre-weatherization Barriers
- 2024 IECC Code Training



Future of Gas (Incentives, not Docket)

- Resi:
 - BCR < 1 HVAC
 - Central Air Conditioning
- Shift to weatherization
- Alternatives?
- Multifamily: furnaces
- New Construction
- FoG Docket

Equity



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- Strengthen metrics
 - Q1 2024
- 6 EWG Meetings in 2024
- Awareness gap
- Outreach Assessment
- HEZ
- Justice40: Resi, C&I
- Workforce development



Federal Funding

- Clean Heat RI, RGGI
- IRA Coordination Plan
- Rewiring America
- NEEP, ACEEE, etc.
- IAC Program



Demos, Pilots, Assessments

- C&I Weatherization Demo
- Residential Equity Outreach
- Multifamily Financing



Pre-Weatherization Barriers

- Refined data, and will continue to
- IRA?
- LIHEAP (already using)
- Outside funding sources
- Cost Effectiveness Constraints

Additional Code Training for 2024 IECC



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| Workforce Development Activity | Description | Target Audience |
|-------------------------------------|---|--|
| Train the Trainer | A “train the trainer” program will multiply the number of qualified instructors and allow for an increased training capacity | Code trainers |
| Reimburse Program Approved Trainers | After completing the trainer course, qualified instructors will be compensated to deliver code update trainings | Code trainers |
| Full Day Workshops | Full-day workshops allow for a deeper level of instruction for trainees looking for more detailed or specific code information such as design and plan review, HVAC implementation, etc. | Code officials, design professionals, builders, developers and contractors |
| LMS System Trainings | LMS style trainings can be pre-recorded and linked to various state and industry websites. This will allow trainees with time or transportation constraints to attend trainings on their own time | Code officials, design professionals |
| HERS Rater Training & Certification | Rhode Island will need to increase this workforce network dramatically to meet the needs of the industry once the new code takes full effect | HERS Raters |

Electric Portfolio Numbers



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| Year | Budget | Savings (LT MWh) | Cost of Savings (\$/LT kWh) | BCR |
|------|---------------|------------------|-----------------------------|------|
| 2023 | \$94,802,700* | 668,715 | \$0.142 | 1.70 |
| 2024 | \$96,645,700 | 733,832 | \$0.132 | 1.70 |
| 2025 | \$100,100,800 | 771,753 | \$0.130 | 1.74 |
| 2026 | \$104,045,300 | 803,378 | \$0.130 | 1.75 |

*excluding ConnectedSolutions

All programs show
BCR > 1 in all
years 2024-2026

Gas Portfolio Numbers



| Year | Budget | Savings (LT MMBtu) | Cost of Savings (\$/LT Therm) | BCR |
|------|--------------|-----------------------|----------------------------------|------|
| 2023 | \$36,931,500 | 3,537,835 | \$1.04 | 2.06 |
| 2024 | \$34,873,800 | 3,289,038 | \$1.06 | 1.92 |
| 2025 | \$35,551,700 | 3,434,447 | \$1.04 | 1.91 |
| 2026 | \$35,640,000 | 3,571,470 | \$1.00 | 1.95 |

Also of Note
 Total (Electric + Gas) Portfolio Fund Balance:

- 2023 Plan (end of 2022): \$39.2 M
- 2024 Plan (end of 2023): \$7.6M

All programs show
 BCR > 1 in all
 years 2024-2026

Gas Strategy – By the Numbers

Compared to the 2023 Plan, the 2024 Plan shows:

- **Gas Portfolio:** 6% budget decrease.
 - Some programs show gas budget growth/maintenance – these programs include weatherization measures and/or end-uses that don't have competitive electric alternatives.
- **Gas Residential HVAC:** 58% budget decrease.
- **Gas Residential New Construction:** 7% budget decrease, with a reduction in quantities and incentives that continues through 2025 and 2026.

Least Cost Procurement Standards Updates

- The following areas of the Three-Year and 2024 Annual Energy Efficiency Plans were impacted by the updates to the LCP Standards:
 - Added views of cost-effectiveness and cost of supply for in-state benefits only
 - Added analysis of all energy savings expected in state from various sources over three year period and percentage of that expected from RIE
 - Added presentation of participation in Prudency section in response to addition to Standards regarding "equitable access"
 - Expanded measure details included for Residential and C&I Sectors
- Other updates to the Standards will impact Year End Reporting, System Reliability Procurement filing, and DSM Investment Proposals



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